

INFORMATION REPORT

CD NO.

CONFIDENTIAL

DATE DISTR. 24 MAR 50

COUNTRY: Rumania

SUBJECT Penalties for Failure to Fulfill Contracts
Levied on the Rumanian Government by the USSR

NO. OF PAGES 1

PLACE
ACQUIRED

NO. OF ENCLS.
(LISTED BELOW)

DATE OF
INFO.

SUPPLEMENT TO
REPORT NO.

25X1

25X1

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE
OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE ACT OF
U. S. C., 51 AND 52, AS AMENDED. ITS TRANSMISSION OR THE REVELATION
OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PRO-
HIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

25X1

1. Soviet authorities levy heavy financial penalties for failure to deliver manufactured goods at the time and in the condition specified in the original order. The Rumanian Government, for example, must pay 200,000 lei per day for every day beyond the agreed delivery date for a locomotive.
2. Soviet commissions almost always find some pretext to refuse acceptance of locomotives at the time of final inspection before delivery. On one occasion such a commission discovered that the needle of a dial, which the original order had specified was to be painted red, was in fact another color. Although this item could have been corrected to specification in a few minutes, the Soviet authorities refused to continue the inspection and announced that it would resume its work three days later. This delay cost the Rumanian Government 600,000 lei in penalties.
3. The sums paid out by the Rumanian Government under such pretexts sometimes amount to thirty to forty percent of the selling price of the goods delivered to the Russians.

This document is hereby regraded to
CONFIDENTIAL in accordance with the
letter of 18 October 1978 from the
Director of Central Intelligence to the
Archivist of the United States.
Next Review Date: 2008

Document No. **VOID**
No. Change in Class. ☐
Class. Exempted From: TS S C
Auth.: MR 76-2
Date: 10/26/78 By: ☐

25X1

25X1

CLASSIFICATION SECRET		DISTRIBUTION									
STATE	<input checked="" type="checkbox"/>	NAVY	<input checked="" type="checkbox"/>	NSRB							
ARMY	<input checked="" type="checkbox"/>	AIR		FBI							

RETURN TO ARCHIVES & RECORDS CENTER

CONFIDENTIAL
IMMEDIATELY AFTER USE
JOB 78-2352 BOX